

#### **STAFF REPORT**

# REQUEST FOR PURCHASE OF CITY-OWNED PROPERTY AT SOUTHWEST CORNER OF OLD COUNTY ROAD AND RALSTON AVENUE (APN 040-331-020 AND 040-331-200)

Honorable Mayor and Council Members:

## **Summary**

Ralph Kirberg, the owner of the adjacent property at 1020 Old County Road, has inquired about the sale by the City of a portion of the land at the Southwest corner of Old County and Ralston. He proposes to use the property for additional on-site parking, to facilitate his auto repair business. Before entering into any discussions, staff wishes to discuss the possibility with the City Council; staff does not recommend proceeding, however.

## **Background and Discussion**

On May 13, Ralph Kirberg submitted the attached letter at the City Council Meeting. Staff subsequently met with Mr. Kirberg, who explained that he wants to expand his parking lot to the north. He would enclose the space with a new fence identical to the current fence, and would pave the lot. The driveway to the property would remain as is. Mr. Kirberg explained that he has to spend a lot of time moving cars onto and off his site, since he has very limited off-street (on-site) parking. This new, expanded lot would enable him to keep more of his customers' cars on his property.

Staff has looked into this property, and discovered that the City actually owns two lots; see attached parcel map. Based on his description, staff believes that Lot 2 (APN 040-331-020) would meet Mr. Kirberg's needs; his proposal would extend his property north, roughly to the large tree on site.

If Council wishes to direct staff regarding negotiations for the property, those directions should be given in Closed Session, as authorized by the Brown Act. However, staff believes that the threshold question (i.e., Does the Council even wish to consider disposing of the property?) involves several policy considerations, and should be discussed in open session. If, following an open discussion of the policy questions, Council wishes to at least investigate—via negotiations—Mr. Kirberg's proposal further, a Closed Session will be scheduled for a subsequent Council Meeting.

It should be noted that, although the proposal is for a sale, Mr. Kirberg is open to a lease. If the Council wishes to consider the request, staff recommends that only a lease be considered. There are, in staff's mind, too many unresolved questions about the future development and redevelopment of the area to give up ownership of any land in the district at this point.

Staff believes the Mr. Kirberg's request raises several policy concerns, primarily related to timing. Discussion of each of the concerns follows:

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Downtown Planning—As part of the Visioning Program and the work on an Economic Development Strategy, the development of Belmont's historic downtown area will be reviewed. Those plans are several months away, but perhaps not so far that the City should, at this point, sign over an asset that might fit well with those plans. Of special note is the site-specific planning being conducted with CalTrain of the area around the train station.

<u>Plaza Park</u>—Although it has not been funded, earlier plans for a Plaza Park used a portion of the property, mainly on the Ralston frontage. Kirberg's request would not go that far to the north, but the Park plans could be changed in the future.

<u>CalTrain Planning</u>—One of the elements of CalTrain's long-range plans is, as we have just heard, the construction of four tracks the length of the Peninsula to accommodate high-speed rail. Although those plans are distant, it would not be wise to give up public control of property this close to the tracks at this point.

Based on the foregoing, it might be tempting to enter into a relatively short-term lease of the property, thereby retaining control pending future planning. However, Mr. Kirberg proposes to acquire the property to "expand [his] business". If the business has been expanded because of additional property, and the City wishes to re-exert control of the property at some future time, the business will be hampered.

## Fiscal Impact

There is no direct fiscal impact to this policy discussion. If the Council wishes to entertain disposition of the property, the exact fiscal impact would depend on the terms of the conveyance.

#### **Conclusion**

Based on the foregoing, staff recommends that Mr. Kirberg be advised that the City is not interested in disposing of the property at this time. Planning efforts currently underway may yield more certainty regarding the future uses for the property. If so, the City could enter into further discussions with Mr. Kirberg at that time.

#### **Attachments**

- 1. Kirberg letter of May 8, 2003
- 2. Parcel map

Respectfully submitted,

Jere A. Kersnar City Manager